

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR

Call to Order: By **CHAIRMAN MIKE TAYLOR**, on March 2, 2001 at 8:00 A.M., in Room 422 Capitol.

ROLL CALL

Members Present:

Sen. Mike Taylor, Chairman (R)
Sen. Mike Sprague, Vice Chairman (R)
Sen. Edward Butcher (R)
Sen. Vicki Cocchiarella (D)
Sen. Sam Kitzenberg (R)
Sen. Dale Mahlum (R)
Sen. Glenn Roush (D)
Sen. Don Ryan (D)

Members Excused: Sen. Dale Berry (R)

Members Absent: None.

Staff Present: Bart Campbell, Legislative Branch
Kyanne Kelly, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 308, 3/2/2001; HB 417,
3/2/2001; HB 300, 3/2/2001
Executive Action: HB 308; HB 172; HB 417;
HB 300; HB 150; HB 71

HEARING ON SB 308

Sponsor: REPRESENTATIVE CINDY YOUNKIN, HD 28, BOZEMAN

Proponents: Mark Staples, Montana Tavern Association

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 1.1}

REPRESENTATIVE CINDY YOUNKIN, HD 28, BOZEMAN, said this bill changes the period of time that you can transfer a floating beverage liquor license from 5 years to 3 years.

Proponents' Testimony:

Mark Staples, Montana Tavern Association, said the reason floaters had the restrictions on them, of not being able to mortgage it or transfer it for 5 years, was to distinguish it from the license that someone paid \$500,000 for and you only paid \$15,000, so you don't have the same rights and privileges as a license that was paid for at full price.

Opponents' Testimony: None

Questions from Committee Members and Responses: None

Closing by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 8}

REPRESENTATIVE CINDY YOUNKIN, HD 28, BOZEMAN, said it is an unreasonable restraint on trade to require people to wait for 5 years.

EXECUTIVE ACTION ON HB 308

Motion/Vote: SEN. MAHLUM moved that HB 308 BE CONCURRED IN.
Motion carried unanimously.

EXECUTIVE ACTION ON HB 172

Motion: SEN. TAYLOR moved that AMENDMENTS TO HB 172, HB017201 BE ADOPTED.

Discussion: Bart Campbell explained that this amendment includes hospital districts into the bill. SENATOR MAHLUM clarified that this had to do with the smaller hospitals.

Vote: Motion carried unanimously. EXHIBIT(bus48a01)

Motion: SEN. ROUSH moved that AMENDMENTS TO HB 172, HB17202 BE ADOPTED.

Discussion: Bart Campbell explained that this would require a corresponding increase in pay for any reduction in leave benefits. SENATOR ROUSH said there was concern that the employee would lose some benefits without a corresponding increase in pay. SENATOR COCCHIARELLA said she was concerned for people who don't have bargaining agreements, to guarantee that they don't have a loss from this bill.

Vote: Motion carried unanimously. EXHIBIT(bus48a02)

Motion/Vote: SEN. TAYLOR moved that HB 172 BE CONCURRED IN.
Motion carried unanimously.

HEARING ON HB 417

Sponsor: REPRESENTATIVE BILL PRICE, HD 94, LEWISTOWN

Proponents: Jan VanRiper, State Auditor's Office
Roger McGlenn, Independent Insurance Agents
Al Pontrelli, Financial Advisors
Jon Metropoulous, Farmers Insurance

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : A; Approx. Time Counter : 23.4}

REPRESENTATIVE BILL PRICE, HD 94, LEWISTOWN, said passage of this bill would allow the State Auditor's office to participate in using the national insurance producers registry for centralized licensing and appointments of insurance producers. He further

said that the federal legislation passed in 1999 instructed each state to enact uniform laws and regulations governing the licensure of the individuals and entities authorized to sell and solicit the purchase of insurance. He stated that the federal legislation also calls for states to enact a reciprocity law. In the past they had to get licensed in each state.

Proponents' Testimony:

Jan VanRiper, State Auditor's Office, said she supports this bill and passed out a written explanation of the bill.

EXHIBIT (bus48a03)

Roger McGlenn, Independent Insurance Agents, said this is an important bill in state regulation of insurance.

Al Pontrelli, Financial Advisors, said he supports the bill enthusiastically.

Jon Metropoulous, Farmers Insurance, said he supports this bill.

Opponents' Testimony: None

Questions from Committee Members and Responses:

CHAIRMAN MIKE TAYLOR asked if this was a protectionist bill.

Jon Metropoulous said that it was his concern also, but now he doesn't think it is.

Closing by Sponsor:

{Tape : 1; Side : B; Approx. Time Counter : 2.4}

REPRESENTATIVE BILL PRICE, HD 94, LEWISTOWN, said this is not a protectionist bill, but it broadly expands and gives congress the ability to work in an efficient manner across the country.

EXECUTIVE ACTION ON HB 417

Motion/Vote: SEN. SPRAGUE moved that **HB 417 BE CONCURRED IN.**
Motion carried unanimously.

HEARING ON HB 300

Sponsor: REPRESENTATIVE DAVID WANZENRIED, HD 68, MISSOULA

Proponents: Tom Harrison, Robert Peccis & Associates

Opponents: None

Opening Statement by Sponsor:

{Tape : 1; Side : B; Approx. Time Counter : 4.2}

REPRESENTATIVE DAVID WANZENRIED, HD 68, MISSOULA, said the statute allows insurance companies to set aside money for insurance contingencies, and those money are to continue to accrue on the schedule set forth, which is 15 years. He stated that then there is a considerable amount of money tied up that the company has no access to. This bill would allow some money to be drawn out in 5 years.

Proponents' Testimony:

Tom Harrison, Robert Peccis & Associates, said this bill is a win/win situation and reduces the cost of insurance.

Opponents' Testimony: None

Questions from Committee Members and Responses:

SENATOR DALE MAHLUM asked if this is used very much.

Tom Harrison said no, only one company so far, and that is probably because it takes 15 years to get the money out.

SENATOR GLENN ROUSH asked if there is any tax advantage to this.

Tom Harrison said yes, it is a deduction.

Closing by Sponsor:

{Tape : 1; Side : B; Approx. Time Counter : 16.7}

REPRESENTATIVE DAVID WANZENRIED, HD 68, MISSOULA, said closed without comment.

EXECUTIVE ACTION ON HB 300

Motion/Vote: SEN. RYAN moved that HB 300 BE CONCURRED IN. Motion carried unanimously.

EXECUTIVE ACTION ON HB 150

Motion: SEN. TAYLOR moved that AMENDMENTS TO HB 150 BE ADOPTED.

Discussion: CHAIRMAN TAYLOR said this amendment was to stop employees from drawing 52 weeks of employment and still get two weeks of unemployment.

Vote: Motion carried 8-1 with Mahlum voting no.

Discussion: SENATOR COCCHIARELLA wanted another amendment. She said the word mandated should be taken out of the bill. Because it had unintended consequences to other companies from the one in question. This is an attempt to clarify that people can't get paid for vacation time at the same time they are collecting unemployment insurance. CHAIRMAN TAYLOR said if you take that word mandate out you are telling people how to run their business. Bart Campbell said it would say to a business that if you are in a period of shutdown you can't tell your employees they have to take their vacation. SENATOR RYAN said that this is not fair to people who have accrued vacation time. They would be required to take the vacation, however the person who has no vacation accrued will be eligible for unemployment.

CHAIRMAN TAYLOR withdrew his Motion in order to delay action until they could study the bill further.

EXECUTIVE ACTION ON HB 71

Motion: SEN. COCCHIARELLA moved that AMENDMENTS #7103 TO HB 71 BE ADOPTED.

Discussion: Bart Campbell explained the amendments. CHAIRMAN TAYLOR said this would mean that after 48 hours wages would go into time and a half. SENATOR SPRAGUE asked if compensation could be with time off. John Andrews said there is no provision for this in private industry, they would need to receive cash compensation. He also said that there is an exception for law enforcement and fire fighters.

Vote: Motion carried unanimously.

Motion/Vote: SEN. SPRAGUE moved that HB 71 BE CONCURRED IN AS AMENDED. Motion carried unanimously.

ADJOURNMENT

Adjournment: 9:10 A.M.

SEN. MIKE TAYLOR, Chairman

KYANNE KELLY, Secretary

MT/KK

EXHIBIT (bus48aad)